

CONRAIL®

3-057A001



18131
RECORDATION NO. _____ FILED 1425

FEB 26 1993 10-20 AM

INTERSTATE COMMERCE COMMISSION

18131
RECORDATION NO. _____ FILED 1425

FEB 26 1993 10-20 AM

INTERSTATE COMMERCE COMMISSION

February 26, 1993

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Twelfth Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Re: Lease of Locomotives from General Electric Company
to Consolidated Rail Corporation

Dear Mr. Strickland:

Enclosed are an original and one originally executed counterpart of the primary document described below and the secondary document which also is described below. The secondary document described below is related to the primary document described below. All of the enclosed documents are to be recorded pursuant to Section 11303, Title 49, of the United States Code.

The enclosed primary document is:

(1) Lease of Locomotive Equipment Agreement, dated as of February 19, 1993, between General Electric Company, as owner, and Consolidated Rail Corporation, as user.

The enclosed secondary document is:

(1) Lease Termination Agreement, dated as of February 26, 1993, between General Electric Company, as owner, and Consolidated Rail Corporation, as user. The primary document to which this Lease Termination is connected is being submitted for recording concurrently herewith.

Mr. Sidney L. Strickland, Jr.
February 26, 1993
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The names and addresses of the parties to the documents
are as follows:

Lease of Locomotive Equipment Agreement

Owner:
General Electric Company
Transportation Systems Business Operations
2901 East Lake Road
Erie, PA 16531

User:
Consolidated Rail Corporation
2001 Market Street
P.O. Box 41425
Philadelphia, Pennsylvania 19101-1425

Lease Termination Agreement

Owner:
General Electric Company
Transportation Systems Business Operations
2901 East Lake Road
Erie, PA 16531

User:
Consolidated Rail Corporation
2001 Market Street
P.O. Box 41425
Philadelphia, Pennsylvania 19101-1425

The description of the equipment covered by the
aforesaid Lease of Locomotive Agreement is as follows:

Thirty (30) General Electric Dash 8-40CW
diesel electric locomotives bearing road
numbers 6150 through 6179, both inclusive.

The description of the equipment covered by the
aforesaid Lease Termination Agreement is as follows:

Six (6) General Electric Dash 8-40CW diesel
electric locomotives bearing road numbers
6150 through 6155, both inclusive.

A fee of Thirty-two dollars (\$32.00) is enclosed.
Please return the original and any extra copies not needed by the
Commission for recordation to:

Mr. Sidney L. Strickland, Jr.
February 26, 1993
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Cheryl A. Cook
Consolidated Rail Corporation
2001 Market Street
P.O. Box 41425
Philadelphia, Pennsylvania 19101-1425

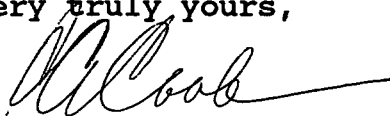
A short summary of each of the documents to appear in the index follows:

- 1) Lease of Locomotives Agreement: Lease of Locomotives Agreement, dated as of February 19, 1993, between General Electric Company, Transportation Systems Business Operations, as owner, 2901 East Lake Road, Erie, PA 16531 and Consolidated Rail Corporation, as user, 2001 Market Street, P.O. Box 41425, Philadelphia, Pennsylvania 19101-1425, covering thirty (30) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6150 through 6179, both inclusive.
- 2) Lease Termination Agreement: Lease Termination Agreement, dated as of February 26, 1993, between General Electric Company, Transportation Systems Business Operations, as owner, 2901 East Lake Road, Erie, PA 16531 and Consolidated Rail Corporation, as user, 2001 Market Street, P.O. Box 41425, Philadelphia, Pennsylvania 19101-1425, covering six (6) General Electric Dash 8-40CW diesel electric locomotives bearing road numbers 6150 through 6155, both inclusive.

Mr. Sidney L. Strickland, Jr.
February 26, 1993
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If you have any questions, please do not hesitate to
call the undersigned.

Very truly yours,



Cheryl A. Cook

CAC/wm
Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

2/26/93

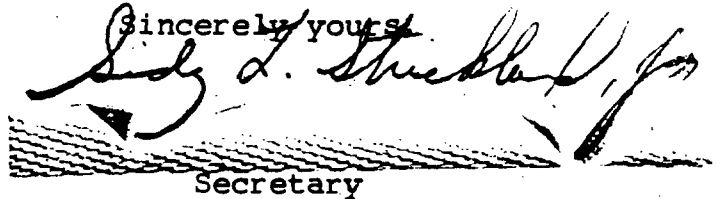
OFFICE OF THE SECRETARY

Cheryl A. Cook
Consolidated Rail Corporation
2001 Market St.
41416 P.O.Box
Philadelphia, PA. 19101-1416

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/26/93 at 10:20am , and assigned re-recording number(s). 18131 & 18131-A

Sincerely yours,



Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

LEASE OF LOCOMOTIVE EQUIPMENT AGREEMENT

FEB 26 1993 10:20 AM

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, made and entered into as of this 19th day of February, 1993, by and between General Electric Company, a New York corporation, hereinafter called "Owner," and Consolidated Rail Corporation, a Pennsylvania corporation, hereinafter called "User."

OWNER AND USER HEREBY AGREE AS FOLLOWS:

1. **Lease:** User agrees to lease from Owner on a daily basis for the period not to extend beyond March 25, 1993 (unless mutually extended by the parties in writing for a maximum of 30 additional days) the locomotives described in Exhibit A, together with all additions and accessories incorporated therein and/or affixed thereto (the "Locomotives"). The parties agree that if any of the Locomotives have not been delivered and accepted hereunder by March 25, 1993, then solely with respect to such undelivered Locomotives the term of this Lease shall expire on the earlier of (a) April 30, 1993, or (b) that date selected by User which is at least five business days following Owner's receipt of notice from User that User desires to terminate this Lease (either (a) or (b), as appropriate, being referred to herein as the "April Termination Date"). At the end of the term of this Lease (March 25, 1993 for Locomotives delivered on or before March 25, 1993, and the April Termination Date for Locomotives delivered after March 25, 1993), time being of the essence, User shall cause the Locomotives to be paid for under the contemplated financing arrangements described at Section 23.4 hereof, as required by the Purchase Agreement between User and Owner dated as of January 4, 1993 (hereinafter, the "Purchase Agreement"). Rental shall start immediately upon the execution of a Lease Acceptance Certificate in the form attached hereto as Exhibit B. Delivery and acceptance shall be made at Owner's facility in Erie, Pennsylvania.

User will cause the Locomotives to be kept numbered with the identification numbers and names and designations thereon at the time of their delivery hereunder and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of the Locomotives "Ownership subject to documents filed with the Interstate Commerce Commission" in letters not less than one inch in height. User shall affix or cause to be affixed to each Locomotive a nameplate bearing the legible inscription "Ownership subject to documents filed with the Interstate Commerce Commission." User will not place any Locomotive in operation or exercise any control or dominion over the same unless such numbers, names, nameplates and designations are so marked and will replace promptly any such markings which may be removed, obliterated, defaced or destroyed. User will not change the identification number of any Locomotive.

User will not allow the addition of any name of any person, association or corporation to be placed on any Locomotive as a designation that might be interpreted as a claim of ownership during the term of this Lease.

2. **Rent:** This Lease shall commence with respect to each Locomotive when said Locomotive is accepted by User pursuant to this Lease, and shall continue until Owner is paid pursuant to the provisions of the Purchase Agreement as amended hereby.

The daily rental shall be \$236.00 per Locomotive. All Daily Rent shall be payable at the termination of the lease period set forth in Section 1 (March 25, 1993 or the April Termination Date, as applicable).

User shall not be entitled to any reduction of rent, abatement or setoff counterclaim, recoupment or defense against rent or any other amount payable hereunder for any reason whatsoever, including, but not limited to, reductions, setoffs, counterclaims, recoupments or defenses due or alleged to be due by reason of any past, present or future claims of User against Owner or any other person for any reason whatsoever, except as otherwise provided herein; nor shall this Lease terminate, or the obligations of User be otherwise affected, by reason of any defect in the condition, design, operation or fitness for use of the Locomotives or damage to or loss of possession or use or destruction of such Locomotives from whatever cause and of whatever duration, except as otherwise provided herein. User acknowledges that: Owner has no knowledge or information as to the condition or suitability for User's purpose of the Locomotives and Owner's decision to enter into this Lease is made in reliance on User's undertakings herein, including User's express agreement not to assert against Owner any claims, defenses, setoffs or counterclaims it may now or hereafter have against Owner.

3. **Warranties and Representations:** Owner warrants and incorporates by reference herein the obligations and warranties (including any disclaimers thereof) as described in the Purchase Agreement. There are no other warranties, express or implied, made by Owner.
4. **Place of Payment or Rent:** User shall direct payment of the rent to Owner as follows:

General Electric Company
Treasurers Account No. 211-46-019
Morgan Guaranty Trust Company
ABA No. 021000238
60 Wall Street
New York, New York 10260

5. **Record keeping: Inspection:** User agrees to keep and maintain and make available to Owner such record of User's use, operation, inspection, repairs and maintenance of the Locomotives while in its possession as shall be reasonably requested by Owner.

If requested, within five days of the end of the term of this Lease, User will furnish to Owner a certificate signed by the Chief Mechanical Officer of User setting forth the maintenance and repairs performed on the Locomotives during the term hereof, and such other information regarding the condition and state of repair of the Locomotives as Owner may reasonably request. Owner at its sole expense, shall have the right by its agents to enter upon the property of User to inspect the Locomotives and User's records with respect thereto at such reasonable times as Owner may request during the term of this Lease.

User shall promptly notify Owner of any occurrence of an event of default as defined in Section 18 hereof or default, specifying such event of default or default and the nature and status thereof.

6. **Loss or Destruction:** In the event that a Locomotive during the term hereof shall become lost, stolen, destroyed, irreparably damaged, permanently rendered unfit for use, or, in the reasonable opinion of User, worn out or damaged beyond the economic limit of repair, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise by the United States Government for a period which shall exceed the then remaining term hereof, or by any other government or governmental entity resulting in the loss of possession by User for a period of 30 consecutive days (such occurrences being hereinafter called "Casualty Occurrences"), User shall notify Owner of such Casualty Occurrence. User shall provide all assistance reasonably requested by Owner in the investigation, defense, or prosecution of any Casualty Occurrence or any claim arising therefrom. In the event of a Casualty Occurrence, on the Lease termination date User shall pay to Owner all daily rent due through the date of such Casualty Occurrence, plus the casualty value of each Locomotive which is the subject of a Casualty Occurrence. For purposes of this Lease, the casualty value of each Locomotive shall equal the purchase price thereof as set forth in the Purchase Agreement.

7. **Indemnity:** User agrees to indemnify, protect and hold harmless Owner from and against all losses, damages, injuries (including death), liabilities, claims (including, without limitations, claims for strict liability in tort) and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, but not limited to, counsel fees and expenses, patent, trademark and copyright liabilities, penalties, and interest, arising from or caused directly by: (a) User's failure to promptly perform any of its obligations under the provisions of Sections 1, 2, 6, 7, 8 and 17 of this Lease, or (b) injury to person (including death) or property resulting from or based upon the actual or

alleged use, operation, delivery or transportation of any Locomotive or its location or condition, or (c) inadequacy of any Locomotive, or any part thereof, for any purpose or any deficiency or defect therein or the use or maintenance thereof or any repairs, servicing or adjustments thereto or any delay in service or use thereof or any loss of business; and shall, at its own cost and expense, defend any and all suits which may be brought against Owner, either alone or in conjunction with others upon any such liability or claim or claims and shall satisfy, pay and discharge any and all judgments and fines that may be recovered against Owner in any such action or actions; provided, however, that: (i) Owner shall give User written notice of any such claim or demand received by Owner, and (ii) User shall not be required to indemnify, protect, hold harmless and defend Owner for any loss, damage, injury, liability, claim, demand or expense to the extent it results from the gross negligence or willful misconduct of Owner, or to the extent such arises from Owner's breach of its warranty or availability obligations under Section 3 hereof. The indemnities arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the expiration or termination of this Lease.

Except as otherwise expressly provided in this Lease and subject to the same types of limitations set forth in Clause (ii) of the first paragraph of this Section 7, User shall bear the responsibility and risk for, and shall not be released from its obligations hereunder in the event of, any damages to or the destruction or loss of the Locomotives.

8. **Compliance with Law; Repair and Maintenance:** User shall comply with the FRA, and all other applicable laws, regulations and requirements with respect to use, maintenance and operation of the Locomotives during the term of this Lease. User shall use the Locomotives only in the manner for which they were designed so as to subject them only to ordinary wear and tear.

User shall at its own cost and expense, maintain and service the Locomotives in accordance with prudent industry practice, including testing and repair of the Locomotives so that the Locomotives will remain: (a) in as good operating condition as when delivered (ordinary wear and tear excepted) and (b) in compliance with any and all applicable laws and regulations. In no event shall the Locomotives be maintained or scheduled for maintenance on a basis less frequent than the maintenance or maintenance scheduling basis employed as of the date hereof by User for similar equipment. Any parts installed or replacements made by User upon the Locomotives shall be considered accessions to the Locomotives, and title thereto shall be immediately vested in Owner, without cost or expense to Owner; provided, however, User may remove from the Locomotives any: (a) communications equipment, (b) train control, (c) end of train telemetry, and (d) recording devices, which User paid for and installed, but only if such removal may be accomplished without damage to the Locomotives.

Except for alterations or changes required by law or regulations, User shall not effect any alteration or change in or to the design, construction, specifications or appearance of the Locomotives, or the body or electrical equipment or components thereof, without the prior written consent of Owner.

9. **Assignment by User:** User shall not assign or sublet its interest, or any part thereof, under this Lease, or permit the use or operation of the Locomotives subject to this Lease by any other person, firm or corporation, other than wholly owned subsidiaries, without the prior written consent of Owner. Owner expressly consents to incidental operation and use on railroads other than User's.
10. **Notices:** Unless otherwise specifically provided, any notices to be given under this Lease or any other communications between the parties shall be given by certified mail, postage prepaid in the following manner:

- (a) Notices from Owner to User shall be sent to:

J.T. Whatmough
Vice President, Materials & Purchasing
2001 Market Street
Room 7-A
P. O. Box 41407
Philadelphia, PA 19101-1407

and also to:

T. J. McGraw
Director-Financing
2001 Market Street
Room 25-A
P. O. Box 41425
Philadelphia, PA 19101-1425

or to such other address as User may from time to time indicate by written notice to Owner.

- (b) Notices from User to Owner shall be sent to:

General Electric Company
Transportation Systems Business Operations, 14-5
2901 East Lake Road
Erie, PA 16531
Attn: D. B. Tucker

11. **Quiet Enjoyment:** So long as User makes its aforesaid rental payments and otherwise complies with the terms and provisions hereof, User shall be entitled to the use and possession of the Locomotives according to the terms hereof without interference by Owner or by any party lawfully claiming by or through Owner.
12. **Authority:** The undersigned signatories herewith represent and warrant that they are fully authorized to execute this Lease and bind the respective parties to the terms and provisions hereof.
13. **Protection of Owner's Title:** Prior to delivery of any Locomotive hereunder, User, at its own expense and without expense to Owner, shall cause this Lease and any supplements hereto and any assignment and reassignment hereof to be duly filed, registered or recorded in conformity with Section 11303 of the Interstate Commerce Act or other places within or without the United States as Owner may reasonably request for the protection of Owner's title to the Locomotives and will furnish Owner proof thereof. User will, from time to time, do and perform any other act and will execute, acknowledge, deliver, file, register and record any and all further instruments or reasonably requested by Owner, for the purpose of protecting Owner's title to the Locomotives.

User shall not cause to be created or suffer the creation of any lien, charge or encumbrance, including any lien for taxes, on the Locomotives. Should any such lien, charge or encumbrance be created as to or impressed on the Locomotives, User shall cause such to be promptly discharged and terminated.
14. **Taxes:** User, or Owner at User's expense, shall report, pay and discharge when due all license and registration fees, assessments, use and property taxes, and gross receipts taxes arising out of receipts from use or operation of the Locomotives, including without limitation amounts payable under Sections 2, 6 and 10, hereof, and other taxes (excluding any tax measured by Owner's net income), together with any penalties or interest thereon, imposed by any state, federal or local government upon the Locomotives and whether or not the same shall be assessed against or in the name of Owner or User.
15. **Performance of Obligations of User by Owner:** In the event that User shall fail duly and promptly to perform any of its obligations under the provisions of this Lease, Owner may, at its option, perform the same for the account of User without thereby waiving such default, and any amount paid or expense (including reasonable attorneys' fees), penalty or other liability incurred by Owner in such performance, together with interest at the lesser of 1-1/2 percent per month or the highest amount allowed by law thereon, until paid by User to Owner, shall be payable by User upon demand as additional rent hereunder.

16. **Further Assurance:** User shall execute and deliver to Owner, upon Owner's request, such instruments and assurances as Owner deems necessary or advisable for the confirmation or perfection of this Lease and Owner's rights hereunder.
17. **User's Covenants:** User will: (a) defend at User's own cost any action, proceeding or claim affecting the Locomotives except as stated in Section 7; (b) do everything necessary or expedient to preserve or perfect Owner's interest in the Locomotives; (c) not misuse, fail to keep in good repair (ordinary wear and tear excepted), secrete, or, without the prior written consent of Owner and notwithstanding Owner's claim to proceeds, sell, rent, lend, encumber or transfer the Locomotives, except as provided in Subsection (e) of this Section; (d) agree that Owner may enter upon User's premises or wherever the Locomotives may be located at any reasonable time and upon reasonable prior notice to inspect the Locomotives; and (e) except as provided in Section 9 of this Lease, not permit the use of the Locomotives by any other party, without Owner's consent to be granted in its sole discretion.
18. **Default:** An event of default shall occur if: (a) User fails to pay when due any installment of rent and such failure continues for a period of 15 days; (b) User shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it hereunder and any such failure continues uncured for 15 days after written notice thereof to User by Owner; (c) User ceases doing business as a going concern, makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they become due, files a voluntary petition in bankruptcy, is adjudicated a bankrupt or an insolvent, files a petition seeking for itself any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar arrangement under any present or future statute, law or regulation or files an answer admitting the material allegations of a petition filed against it in any such proceedings, consents to or acquiesces in the appointment of a trustee, receiver, or liquidator of its or of all or any substantial part of its assets or properties, or if it or its shareholders shall take any action looking to its dissolution or liquidation; (d) within 60 days after the commencement of any proceedings against User seeking reorganization, arrangement, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulations, such proceedings shall not have been dismissed, or if within 60 days after the appointment, without User's consent or acquiescence, of any trustee, receiver or liquidator of it or of all or any substantial part of its assets and properties, such appointment shall not be vacated; or (e) User attempts to remove, sell, transfer, encumber, part with possession or sublet any of the Locomotives in a manner prohibited hereunder without the consent of Owner.

Upon the occurrence of an event of default, Owner, at its option, may: (a) declare all sums due and to become due hereunder immediately due and payable; (b) proceed by appropriate court action or action or other proceedings

either at law or equity to enforce performance by User of any and all covenants of User under this Lease, and to recover damages for the breach thereof; (c) take any other action permitted by law to protect its interests.

If any statute governing any proceedings hereunder specifies the amount of Owner's deficiency or other damages for breach of this Lease by User, Owner shall be entitled to recover as and for damages for the breach an amount equal to that allowed under such statute in lieu of any other damages for breach of this Lease. The provisions of this paragraph shall be without prejudice to any rights given to Owner by such statute to recover any amounts allowed thereby. Should any proceedings be instituted by or against Owner for moneys due Owner hereunder and/or for possession of any Locomotive and/or for any other relief, User shall pay Owner a reasonable sum as attorneys' fees.

The remedies in this Lease provided in favor of Owner shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies in its favor existing at law or in equity. User hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is not, at the time in question, prohibited by law. User hereby waives any and all existing or future claims to any offset against the rental payments due hereunder, and agrees to make such payments regardless of any offset or claim which may be asserted by User or on its behalf. Owner and User agree that notwithstanding the Bankruptcy Code of the United States or any other bankruptcy act, Owner shall, for purposes of protecting its right to payment under the Purchase Agreement, have the right to take possession of any or all of the Locomotives upon any event of default under this Lease, regardless of whether User is in reorganization.

No failure by Owner to exercise, and no delay by Owner in exercising, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege by Owner preclude any other or further exercise thereof, or the exercise of any other right, power or privilege.

19. **Covenants of User:** As a material consideration to induce Owner to enter into this Lease, User represents, warrants and, where appropriate, covenants to Owner that: (i) User is a duly organized and validly existing corporation in good standing under the laws of the Commonwealth of Pennsylvania; is duly qualified to do business in such jurisdictions as are necessary to carry out the transactions contemplated by this Lease; and has the power and authority to own its properties and carry on its business as now conducted; (ii) this Lease has been duly authorized, executed and delivered by User and does not contravene any provision of law or of its charter or by-laws nor contravene or constitute a default under the provisions of any agreement or other instrument binding upon User; contemporaneously with its execution this

Lease will be filed and recorded in such public offices as may be necessary for the full protection of the rights of Owner and assignees of the Owner; and this Lease is valid, binding and legally enforceable against User in accordance with its terms, subject to any applicable insolvency, bankruptcy or moratorium laws; and (iii) the rights of Owner as herein set forth and the title of Owner to the Locomotives furnished under this Lease are and will be senior to the lien of any mortgage, security agreement, or other instrument binding upon User; (iv) no governmental authorizations, approvals or exemptions (including, without limitation, approvals of the Interstate Commerce Commission, of public service commissions, or other regulatory authorities in states in which User operates) are required for the execution and delivery of this Lease or for the validity or enforceability hereof or for the leasing of the Locomotives hereunder or the rentals and on the other terms and conditions herein provided, or if any such authorizations, approvals or exemptions are required, that they have been obtained; and (v) no litigation or administrative proceedings are pending or, to the knowledge of User, threatened against User, the adverse determination of which would affect the validity of this Lease or the rights of Owner hereunder.

20. **Choice of Law:** This Lease shall be governed in all respect by the law of the Commonwealth of Pennsylvania.

21. **Miscellaneous:**

21.1 All transportation charges shall be borne by User.

21.2 If any provision hereof is contrary to, prohibited by, or deemed invalid under, applicable laws or regulations of any jurisdiction, such provision shall be inapplicable and deemed deleted from this Lease, but such deletion shall not invalidate the remaining provisions hereof.

21.3 This Lease is irrevocable for the full term hereof and for the aggregate rental herein reserved.

21.4 User admits the receipt of a true copy of this Lease.

22. **Liability of Owner:**

22.1 Except as provided in Section 3 hereof, Owner shall have no liability to User arising out of the furnishing of any Locomotives under this Lease, or their use, whether the liability is based on contract, warranty, tort (including negligence) or otherwise.

22.2 In no case, whether liability arises under breach of contract, warranty, tort (including negligence) or otherwise, will Owner's liability include any special, incidental, indirect or consequential damages including, but not

limited to, loss of revenue or profits, damage to freight, loss of use of any equipment, cost of capital, downtime costs, or claims of User's customers for such damages.

23. Purchase Agreement:

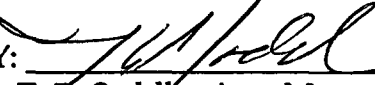
- 23.1 Except as provided in this Lease, nothing herein shall be deemed to alter, amend or affect the respective rights and obligations of the parties under the Purchase Agreement.
- 23.2 The lease of the Locomotives shall not disqualify such Locomotives from being "new" under the Purchase Agreement.
- 23.3 User's inspection of the Locomotives hereunder shall constitute inspection of the Locomotives as required under the Purchase Agreement.
- 23.4 It is the intent of the parties that upon termination of this Lease (whether by expiration on March 25, 1993 or on the April Termination Date), the Locomotives will be purchased from Owner by (and Owner will pass title to the Locomotives to) one or more third party lessors (the "Lessors") which will then lease them to User. In the event that on or prior to March 25, 1993, any Lessor shall not have purchased and paid for any Locomotives delivered hereunder on or before March 25, 1993, on terms satisfactory to Owner, User may not return the Locomotives to Owner, but rather shall, not later than March 25, 1993, time being of the essence, pay the Locomotive Purchase Price as required by the Purchase Agreement and as set forth in Owner's Final Delivery Invoice. In the event that on or prior to April 30, 1993, any Lessor shall not have purchased and paid for any Locomotives delivered hereunder after March 25, 1993, on terms satisfactory to Owner, User may not return the Locomotives to Owner, but rather shall, not later than April 30, 1993, time being of the essence, pay the Locomotive Purchase Price as required by the Purchase Agreement and as set forth in Owner's Final Delivery Invoice.

23.5 Contemporaneously with the occurrence of either of the events described in Sections 6 or 23.4, Rent shall cease to accrue with respect to the Locomotives.

DATE: February 19, 1993

ATTEST: 
M. J. Baughman, Attesting Secretary

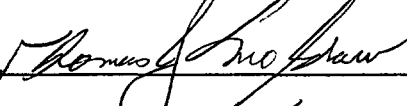
GENERAL ELECTRIC COMPANY

BY: 
T. P. Saddlemire, Manager, Transportation Systems Finance Operation

DATE: February 22, 1993

ATTEST: 

CONSOLIDATED RAIL CORPORATION

BY: 
TITLE: Director - Financing

Commonwealth of Pennsylvania }

1 SS.

}

On this 22 day of February, 1993, before me personally appeared _____

Thomas J. McGraw, to me personally known, who, being by me
duly sworn, did say that he is a Director - Financing of

Consolidated Rail Corporation, that the foregoing instrument was signed on behalf of such corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Notary Public

My commission expires:



Commonwealth of Pennsylvania }

} SS.

}

On this 19th day of February, 1993, before me personally appeared T. P. Saddlemire, to me personally known, who, being by me duly sworn, did say that he is Manager, Transportation Systems Finance Operation of General Electric Company, that the foregoing instrument was signed on behalf of such corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

Notary Public

My commission expires:

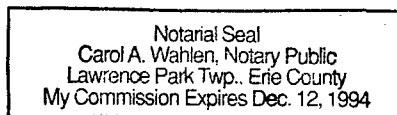


EXHIBIT A

Type: Dash 8-40CW Diesel Electric Locomotives

Delivery Point: Erie, PA

Quantity: Thirty

Lessee's Identification Nos.: 6150-6179

EXHIBIT B

I, the duly authorized representative for the Consolidated Rail Corporation ("User") under the Lease of Locomotive Equipment, dated as of February 19, 1993 (the "Lease"), do certify that I inspected and accepted delivery thereunder of the following Units of Equipment:

Type of Locomotive: Dash 8-40CW Diesel Electric
Place Accepted: Erie, Pennsylvania
Date Accepted:
Number of Units:
Marked:
Road Number(s):

I do further certify that the foregoing Units are in good order and condition, and conform to the specifications, requirements and standards applicable therefor as provided in the Lease.

I do further certify that each of the foregoing Units has been marked upon each side of each such Unit in letters not less than one inch in height as follows:

"Ownership subject to documents filed with
the Interstate Commerce Commission."

Authorized Representative of User